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CHIEF, FISCAL DIVISION, BUDGET & FINANCE BRANCH

CHIEF, [REDACTED]

Transfer from [REDACTED]  
[REDACTED] Employees

REFERENCE: Attached Memorandum dated 2 December 1947 to Chief, [REDACTED] from  
Chief, Fiscal Division, Subject: Same as above.

1. The Chief, [REDACTED] visited the [REDACTED] during the  
period 9 - 18 December 1947. The Chief of the [REDACTED] and each of the  
employees named in the above reference were interviewed concerning the subject  
in question. To the best knowledge and belief of the Chief, [REDACTED] the following  
are the facts in this case:

a. Prior to issue of travel orders, which allowed per diem, to the  
employees concerned, it had been determined that the new [REDACTED]

b. Due to the fact that security checks were incomplete and no employee  
disapproved for security was to be transferred to [REDACTED] together  
with the fact that [REDACTED] employees located in [REDACTED] had  
not decided whether or not they desired to transfer to [REDACTED] should  
the opportunity be afforded them, it was not known that [REDACTED]  
[REDACTED] was to become the permanent station of the employees in  
question.

c. It was originally thought that the [REDACTED] station would become opera-  
tive about 1 August 1947. It was planned by the Chief, [REDACTED] then  
[REDACTED], that these employees would return to [REDACTED]  
prior to 30 June 1947 to assist with the dismantling and movement of  
the [REDACTED] station, at which time a definite decision would be made  
as to whether or not the employees would be transferred officially to  
[REDACTED] It was with this understanding that these employees agreed  
to go to [REDACTED] on temporary duty.

d. Unforeseen delays in the construction of the [REDACTED] station indicate  
that it will not become operative before 1 March 1948. It became  
evident in June that these employees could not complete the work they  
were expected to do and return to [REDACTED] prior to expiration of  
their travel orders on 30 June 1947. In the interest of economy, it  
was decided to activate the station at [REDACTED] officially on 1 July  
1947 and to transfer these employees to it as of that date without  
returning them to [REDACTED] to which plan they all agreed assuming  
that there was no question of payment of per diem or expenses of  
movement of household effects incident to the transfer.

e. Although [REDACTED] discussed informally, via teletype,  
with [REDACTED] Chief of the [REDACTED] the  
movement of household goods and [REDACTED] saw no objection to it.

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the movement of these household goods was made without official permission or knowledge of the [redacted] Washington office. This actually entailed greater risk than it is believed any of the employees realized, since, had they not been approved for security or if for any other reason it had been decided that their services at [redacted] were not desired, they would have definitely been returned to [redacted] and their employment terminated when that station closed.

f. The employees concerned were ignorant of any existing laws which might cause their payment of per diem as authorized in their travel orders to be questioned. They were also ignorant of any existing laws that might cause their reimbursement for expenses for movement of household goods incident to transfer of official headquarters to be questioned even though the movement of household goods preceded the receipt of official change of station orders.

g. During the period preceding the official change of station on July 1, 1947, these employees were subjected to considerable expense directly connected with their temporary duty status in excess of their normal expenses in [redacted] and, as a matter of fact, some of them even at this late date are paying storage charges on household goods and exorbitant fees for rent, etc., due to their inability to establish satisfactory living conditions.

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2. After careful consideration of the facts stated in paragraph 1 above, it is concluded that:

a. The employees concerned acted in good faith and at no time nor in any way did they intend to profit unduly or to circumvent existing laws.

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b. It is extremely doubtful that any of the employees would have been willing to proceed to [redacted] at the time in question on other than a per diem status.

c. None of the employees concerned would have moved their household goods prior to receipt of official change of station orders had they even suspected that expenses incident thereto or their per diem payment might as a result be questioned.

d. Prior to July 1, 1947, the employees concerned actually incurred additional expenses in connection with their temporary duty sufficient to warrant authorization of the per diem allowance.

e. Failure to pay the employees for this per diem allowance for the period prior to official transfer or failure to reimburse the employees for expenses incurred in connection with movement of their household goods would be a serious injustice to the employees concerned, and is not in the best interest of the Central Intelligence Agency or the United States Government service.

Chief, Fiscal Division

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3. It is recommended that the vouchers attached to reference memorandum be paid as submitted.

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Chief, [REDACTED]

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